

8. Event Management Plan

A. Background

The Event Management Plan creates an organizational structure that will work in conjunction with the city's currently existing 5-2 Ordinance relating to special events and the Special Events Task Force. This design was based on an assessment of current industry standards for event management in similar municipal venues. It will be important for the City to balance the quantity of potential events while ensuring the quality of those permitted. In this model, Rio Salado management staff will develop policy to take forward to the Enhanced Services Commission who will then make a formal recommendation to the City Council.

B. Purpose and Objectives

The purpose of this plan is to:

- Create a balance between public use and access and the private financial gain of event promoters within the Tempe Town Lake and the adjacent parks.
- Establish promoter procedures and processes for proposing and staging events.
- Establish city procedures and processes for reviewing proposals and staging events.
- Develop scheduling criteria and priorities.
- Set Tempe Town Lake event fees.

C. Procedures

Any special event proposed to occur in the Enhanced Services Area of Tempe Town Lake on the Rio Salado shall first require clearance from the Rio Salado Division prior to being submitted to the Enhanced Services Commission. The purpose of which is to ensure the compatibility and conformity to policies established by the Enhanced Services Commission. The Rio Salado Division shall create, manage and maintain a calendar of all scheduled activities for the Tempe Town Lake and public park areas in Rio Salado, to ensure that any special events and regularly scheduled activities are compatible.

A special event is defined as a public gathering or celebration involving the use of City-owned properties such as public parks, land streets, sidewalks, right-of-ways or any other City facilities and may include any combination of the following, where attendance can be expected to exceed 300 people: entertainment, dancing, music, dramatic productions, athletic activities, amusements, parades and the sale of merchandise, food and/or alcohol consumption. Any of the previously described activities, all deemed as special events, taking place outside of a building or permanent structure, on private or City-owned property, which may require for its successful execution, the City providing and coordinating services to a degree significantly over and above that routinely provided under ordinary circumstances.

D. Approval Process

Once the Rio Salado Division grants permission for an event to occur in the Enhanced Services Area, the event will be presented to the Tempe Special Events Task Force. The Task Force will then initiate its review and approval process. Applications will be reviewed for issues relating to the provision of basic City services including public safety, traffic implications, fire prevention, liability, liquor control and general site development. It shall be the responsibility of the Rio Salado Marketing Coordinator to direct all special events through the Special Events Task Force and the ultimate implementation of the event. Additionally, it is advised that the Rio Salado Marketing Coordinator, or a responsible representative, shall be on site during the event serving as a liaison between the City and the event producer.

E. Scheduling

1. Lake Closures

Tempe Town Lake may be taken out of use from the public for a total of 96 hours annually that shall comply with the City's commitment to the boating concessionaire for the total number of annual hours of non-operation. The Rio Salado Division shall determine the distribution of the hours. The hours may be utilized in part and shall not exceed the set number of hours agreed upon between the two parties.

2. Limitation on Lake Access for Events

There may be no public access granted to Tempe Town Lake during the number of hours annually when the lake may be completely shut down for special events. The necessity for complete lake closure will be determined by the Rio Salado Division staff and shall be based upon the nature and scope of each particular event. Public access may be either restricted or denied during these periods for the following reasons: 1) Liability and risk. Buoyed channels and security cannot totally ensure that public patrons of the lake will not interfere with the events. Thus, creating a danger and risk for themselves, event promoters and participants. 2) Parking. As a result of the limited number of proposed parking areas and boat ramps there will not be room for public trailer parking. 3) Access. Should public access be granted to the lake during special events, the boats could enter the surface of the water precisely in the middle of the event area. This would present a serious safety concern.

3. Large Scale Events 25,000 + Crowd

In order to reduce the negative impact of large special events on the businesses, community and users of Tempe Town Lake and adjacent park areas, the number of large scale events with anticipated crowd sizes of 25,000 people or more shall be

limited to four (4) per year. The following events may require either a portion or all of Tempe Town Lake and adjacent park areas to be closed to the public. These events will include two (2) City of Tempe sponsored events, New Year's Eve and Fourth of July and two (2) new events to be determined. In order to reduce impact on residents, businesses and City services these events shall be scheduled a minimum of sixty (60) days apart.

4. Smaller Special Events (300 - 25,000)

The scheduling of smaller events within the Enhanced Services District may be scheduled through the Rio Salado Division Marketing Coordinator as space is determined to be available and compatible with both regularly scheduled activities as well as the procedures and policies of the Enhanced Services Commission. These events shall be programmed through the Special Events Task Force by the Rio Salado Marketing Coordinator and monitored in the same way as larger events.

5. Advanced Calendar Scheduling of Special Events

It is recommended that the calendar of events on Tempe Town Lake and adjacent park areas be created with a five (5) year lead time when possible. This will enable essential planning time, the development of long-term contacts with event producers, a current industry standard, and ample notification time to impacted residents, businesses and developers. This lead time will also help to reduce the potential for conflicts in scheduling the City of Tempe Master Events Calendar given the number of traditional/historical events held annually in downtown Tempe. Historical dates for annual events shall be protected indefinitely.

6. Resolution of Calendar Conflicts

The following events on the Tempe Town Lake and adjacent park areas shall be protected in the Master Events Calendar: New Year's Eve, Fourth of July and two (2) events to be named later through the RFP process referred to previously. The following events in downtown Tempe shall be considered traditional/historical and shall be protected in the Master Calendar of Events:

- Fall Festival of the Arts,
- Spring Festival of the Arts,
- Mill Avenue Masquerade,
- Epicurean Festival,
- Oktoberfest,
- Fantasy of Lights Parade,
- Veteran's Day Parade and
- all events related to the Fiesta Bowl.

It shall be coordinated that none of these described events occur on the same day or days. Additionally, preference shall be granted to Arizona State University and

Arizona Cardinals football games because of the impact which traffic and congestion shall have on the downtown Tempe area.

In the event that a conflict occurs, i.e. multiple events are proposed for the same day, preference shall be granted to events based on:

- the timely submittal of a completed Outdoor Special Event Permit Application,
- the availability of the downtown Tempe area to accommodate another event based on crowd size,
- the nature and scope of the event,
- health and safety factors for participants and
- security and traffic concerns.

This determination shall be made through the Special Events Task Force. The task force shall decide whether the overall nature and scope of events will be detrimental to the public's health and safety, and the delivery of basic City services. The Special Events Task Force shall have the ability to deny events if it is determined that the event would create a negative impact on residents, businesses and / or City services.

7. Prioritization of Downtown Tempe and Rio Salado Special Events

Historical / Traditional Events shall be given priority over new events.

8. Street Closures

Street closures shall not be considered for any event in downtown Tempe which does not have an estimate of, and a previous event history of, hosting a peak crowd size of 25,000 or which occurs between the following locations: Ash Avenue east to College Avenue, and University Drive North to Rio Salado Parkway. Mill Avenue shall not be closed between University Drive and Curry Road, except for traditional / historical events. Rio Salado Parkway between Ash Avenue and Rural Road, shall only be closed on New Year's Eve and Fourth of July, with some restrictions for the two (2) RFP'd events to be determined.

Special consideration needs to be made for the 1,000+ proposed residences that shall be constructed along Rio Salado Parkway. Unlike other residences in downtown Tempe, these residences have only one roadway for access.

F. Fees

1. Tempe Town Lake Use Fees - Proposed

The proposed use fees have been created as a means for the Rio Salado Community Facilities District/City of Tempe to recapture any lost revenue generated on a daily basis from day use fees associated with boating, and as an opportunity cost for the event promoter who shall limit the public's access to the facility.

The Tempe Town Lake Use Fee shall be proposed at \$25,000* per day or 10 percent of gross revenue whichever is greater. Additionally, all special events shall be responsible for the full reimbursement of all expenses associated with any City services to include, but not limited to: Police, Fire, Public Works, Staffing, permits and fees paid to both the Boat Concessionaire and the Land Concessionaire for the potential of lost revenue. If a promoter elects to utilize Zones One (1), Two (2) or Three (3) of the lake the individual charge per Zone shall be calculated at \$5,000, \$10,000 and \$10,000 respectively per day, per Zone.

The Zones are defined as follows:

Zone One (1) - Downstream/West Dam to Mill Avenue	\$5,000
Zone Two (2) - Mill Avenue to Rural Road	\$10,000
Zone Three (3) - Rural Road to Upstream/East Dam	\$10,000

* These fees were developed based upon the Tempe *Town Lake Capacity and Needs Study Rio Salado Project* created by BRW. The fees were derived based upon the estimated daily aggressive revenue potential for the Tempe Town Lake at approximately \$8,000 per day examining only water based activities. The goal of this fee structure is to capture lost use fees, concessions revenue and an additional opportunity cost for denying public access to Tempe Town Lake. The rental charges of other event venues in the Metropolitan Phoenix area were examined and the proposed opportunity cost places the Tempe Town Lake within a fair market value.

Payment of described fees shall be paid to the City of Tempe no less than thirty (30) days prior to the event. Full payment of all estimated fees, including a performance bond, must be received a minimum of fourteen (14) days prior to the event. The amount of the performance bond shall be determined separately for each event, based upon the nature and scope of the event, the potential for damage, and unanticipated City services occurring to the facility. The Rio Salado management staff shall establish the performance bond fee. All payments should be received in the form of cashier's checks made payable to the City of Tempe, delivered to the Rio Salado management staff for processing with the Management Services Department into the appropriate Rio Salado Related Fund.

2. City Park Land - Proposed Fees

In the event that a private promoter shall elect to utilize any segment of lake side park areas connected to Tempe Town Lake including Tempe Beach Park, Rio Beach or the open space between Mill Avenue and Rural Road on the North Bank for the purpose of a special event, the following fee structure shall apply. A similar fee structure has been employed by Parks & Recreation and has been successful in managing other multipurpose venues. The rental fees shall be per area. (i.e. If an event promoter shall elect to use both Tempe Beach Park and the area East of Mill Avenue and West of Rural Road, the promoter shall pay rental fees for each area).

Category I
Rental Fee – \$50

Expenses - Yes

User is defined as a non-profit, Tempe based youth association whose primary purpose is to provide opportunities for their participants. The City requires that at least 50% of all participants be Tempe residents. Proof of non-profit status is required.

Category II

Rental Fee - \$100

Expenses - Yes

Users are defined as a non-profit, governmental, religious, sports or charitable organization whose primary function is to provide an athletic tournament, clinic or educational opportunity for youths or adults. Proof of non-profit status is required.

Category III

Rental Fee - \$250 per day

Expenses - Yes

Users are defined as Tempe based individuals, companies, corporations and organizations who are hosting small (less than 300 participants) social, sporting or user special events which would not fall in any other category.

Category IV *

Rental Fee - \$500 per day or 10% of gross proceeds, whichever is greater

Expenses - Yes

Users are defined as individuals, companies or corporations staging commercial entertainment shows, concerts, consumer events, trade shows, or special events in which more than 50% of gross proceeds are directly benefiting a Tempe based non-profit religious, governmental, sport or charitable organization. Or, users are defined as a non-profit Tempe based religious, governmental, Arizona State University, sports or charitable organization staging commercial entertainment shows, concerts, consumer events, trade shows or special events. Users shall be required to submit an independently audited financial statement, indicating all revenues and expenses associated with the event, including all sponsorship; as well as proof and confirmation of any charitable contribution within 60 days following the event.

Category V *

Rental Fee - \$1,000 per day or 10% of gross proceeds, whichever is greater

Expenses - Yes

Users are defined as individuals, companies or corporations staging commercial entertainment shows, concerts, consumer events, trade shows or special events in which no less than 25% and no more than 49% of the gross proceeds are directly

benefiting a Tempe based non-profit religious, governmental, sports or charitable organization. Users shall be required to submit an independently audited financial statement indicating all revenues and expenses associated with the event, including all sponsorship; as well as proof and confirmation of the charitable contribution within 60 days following the event.

Category VI *

Rental Fee - \$1,500 per day or 10% of gross proceeds, whichever is greater.

Expenses - Yes

Users are defined as individuals, companies or corporations staging commercial entertainment shows, concerts, consumer events, trade shows or special events. Users shall be required to submit an independently audited financial statement indicating all revenues and expenses associated with the event, including all sponsorship; and full payment to the City within 60 days following the event.

* Indicates that a separate agreement with the City is required for this special event to occur. The written agreement, administered by the Parks and Recreation Division, shall specifically address issues of payment, charitable contribution and review of financial statements.

3. Concessions Revenue

Upon the completion of a contract for food and beverage concessions in and around Tempe Town Lake, the City of Tempe will address this issue as it relates to special events. However, it is the intention that the City's contracted concessionaire shall be given first right of refusal for all special events and that any incoming special event will be initially required to work with the specified concessionaire.

4. Performance Bond

Any special event taking place within the Tempe Town Lake or adjacent park areas shall be required to supply the City of Tempe with a performance bond based on a per person rate. The figure shall be determined based on the anticipated crowd size and the nature and scope of the event. The performance bond shall be used for repairs to all facilities, potential for lost revenue if the facility is left unusable resulting in lost public access, and for reimbursement of any other expenses which the City of Tempe incurs as a result of the event taking place.

5. Insurance

It is the recommendation that special events hold insurance certificates in the amount of \$5 million for land-based general liability, \$5 million liquor liability and \$10 million general liability if the event is a water-based, high-risk activity on the lake. However, Risk Management shall make this determination on an event-by-event basis.